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**Agriculture & Natural Resources  
Committee**

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**HB 2102**

**Brief Description:** Creating a mobile custom farm slaughtering unit loan program.

**Sponsors:** Representatives Morrell, Smith, Dammeier, Newhouse, Blake, Rolfes, Moeller, Dunshee, Van De Wege, Haigh and Warnick.

**Brief Summary of Bill**

- Creates a new account from which the Washington State Department of Agriculture may make loans to local governments to fund mobile custom farm slaughtering units.

**Hearing Date:** 2/17/09

**Staff:** Jason Callahan (786-7117)

**Background:**

The state's custom slaughter laws establish licensing and facility requirements for people who slaughter and prepare uninspected meat as a service for the owner of the animal or meat. The meat animals covered by these laws are cattle, swine, sheep, goats, and ratites such as ostriches, emus, and rhea. Custom slaughter facilities are required to have a permit from the Washington State Department of Agriculture (WSDA).

The slaughtering process for meat intended to be sold to must be inspected by the United States Department of Agriculture (USDA). There are 11 slaughtering facilities inspected by the USDA in Washington.

**Summary of Bill:**

The Mobile Custom Farm Slaughtering Unit Loan Account (Account) is created as an appropriated account in the State Treasury. The Account may receive direct appropriations and

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may only be used by the WSDA to fund the Mobile Custom Farm Slaughtering Unit Program (Program). The Program is to be managed by the WSDA to provide loans with fixed terms and rates to political subdivisions of the state for the purchase of a transportable structure used to slaughter livestock.

Loans may only be approved by the Director of the WSDA if the slaughtering unit will produce long-term economic benefits to the region, county, or community without requiring ongoing state support. All loans from the program must be conditioned with adequate reporting and disclosure requirements and with requirements that at least 5 percent of the meat processed each year by the slaughtering unit be donated to an area food bank. In addition, the State has the option to purchase a portion of the meat processed in the slaughtering unit.

If applications for loans from the program exceed the amount of money in the Account, the WSDA must prioritize loans based on the projected long-term benefits of the applicant's project. After a loan is made, the Director of the WSDA may defer payments for up to 24 months. Loans may be suspended or cancelled if the recipient misrepresents information provided or fails to make satisfactory progress toward the provisions of the loan agreement.

Annual reports to the Legislature must be submitted by the Director of the WSDA regarding the status of the program.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.